

## ISDH Annual Fiscal Report of a Nonprofit Acute Care Hospital

# Hospital: King's Daughters' Hospital and Health Service

Year: 2004 City: Madison Peer Group: Medium

## Statement One: Summary of Revenue and Expenses

1. Gross Patient Service Revenue		4. Operating Expenses	
Inpatient Patient Service Revenue	\$46,241,916	Salaries and Wages	\$24,062,037
Outpatient Patient Service Revenue	\$79,902,764	Employee Benefits and Taxes	\$6,131,921
Total Gross Patient Service Revenue	\$126,144,680	Depreciation and Amortization	\$3,189,567
2. Deductions from Revenue		Interest Expenses	\$434,841
Contractual Allowances	\$56,601,956	Bad Debt	\$5,567,026
Other Deductions	\$1,694,753	Other Expenses	\$17,874,026
Total Deductions	\$58,296,709	Total Operating Expenses	\$57,259,785
3. Total Operating Revenue		5. Net Revenue and Expenses	
Net Patient Service Revenue	\$67,847,971	Net Operating Revenue over Expenses	\$11,070,071
Other Operating Revenue	\$481,885	Net Non-operating Gains over Losses	\$1,605,916
		Total Net Gain over Loss	\$12,675,987

Total Operating Revenue	\$68,329,856
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<b>6. Assets and Liabilities</b>	
Total Assets	\$91,844,634
Total Liabilities	\$91,844,634

<b>Statement Two: Contractual Allowances</b>			
<b>Revenue Source</b>	<b>Gross Patient Revenue</b>	<b>Contractual Allowances</b>	<b>Net Patient Service Revenue</b>
Medicare	\$56,651,873	\$38,224,175	\$18,427,701
Medicaid	\$12,280,353	\$11,336,989	\$943,455
Other State	\$0	\$0	\$0
Local Government	\$0	\$0	\$0
Commercial Insurance	\$57,212,454	\$7,040,886	\$50,171,568
Total	\$126,144,680	\$56,601,956	\$69,542,724

<b>Statement Three: Unique Specialized Hospital Funds</b>			
<b>Fund Category</b>	<b>Estimated Incoming Revenue from Others</b>	<b>Estimated Outgoing Expenses to Others</b>	<b>Net Dollar Gain or Loss after Adjustment</b>
Donations	\$0	\$214,301	(\$214,301)

Educational	\$54,285	\$302,059	(\$247,774)
Research	\$0	\$0	\$0
Bioterrorism Grant	\$75,000	\$75,000	\$0

<b>Number of individuals estimated by this hospital that are involved in education</b>	
Number of Medical Professionals Trained In This Hospital	11
17	2,399
Number of Citizens Exposed to Health Education Message	846,971

#### Statement Four

#### Annual Summarized Community Benefit Statement on Nonprofit Hospital

This hospital is a nonprofit organization and files an annual community benefit statement with the Department under Indiana Code 16-21-9. Each nonprofit hospital must confirm its mission statement, document the number of persons and dollars allocated under its adopted charity care policy, and describe the progress of the community to achieve specific objectives set by the hospital.

<b>County Location</b>	Jefferson	<b>Community Served</b>	Jefferson County
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#### Hospital Mission Statement

*“Provide excellence in healthcare through the identification and continuous improvement of services that meets needs and expectations of our patients, physicians, payers, employees, and the communities we serve”.*

Unique Services		Type of Initiatives		Document Available	
Medical Research	NO	Disease Detection	YES	Community Plan	YES
Professional Education	YES	Practitioner Education	NO	Annual Statement	YES
Community Education	YES	Clinic Support	YES	Needs Assessment	1996

### Allocation of Dollars and Persons Served under Adopted Charity Policy

Most nonprofit hospitals adopt a charity benefit policy to serve the medically indigent. On an annual basis, the hospital will confirm the eligibility and set aside dollars to ensure low-income persons can be offered needed inpatient and outpatient hospital services.

	2002	2003	2004
<b>Persons served in last twelve months</b>	116	180	985
<b>Charity Care Allocation</b>	(\$702,569)	(\$928,163)	(\$1,694,753)

### Hospital Community Benefit Projects and the Projects' Net Cost

On an annual basis, all nonprofit hospitals will report on the progress that the local community has made in reducing the incidence of disease and improving the delivery of health services in the community.

Name of Program and Description of Progress Made in Achieving Annual Objectives	Net Costs of Programs
Community Education and Outreach	(\$151,791)
Community Health Screening	(\$28,715)

Donations of time and money	(\$214,301)
Patient Education	(\$192)
Subtotal	(\$394,999)

### **Summary of Unreimbursed Costs of Charity Care, Government Funded Programs, and Community Benefits**

Based on uniform definitions of costs, each nonprofit hospital must identify the costs of serving its community that are not reimbursed by government and other third party payers.

<b>Specialized Programs</b>	<b>Unreimbursed Costs</b>
<b>1. Total unreimbursed costs of providing care to patients unable to pay, to patients covered under government funded programs, and for medical education, training.</b>	(\$12,833,334)
<b>2. Community Health Education</b>	(\$151,791)
<b>3. Community Programs and Services</b>	(\$28,715)
<b>4. Other Unreimbursed Costs</b>	\$0
<b>5. Total Costs of Providing Community Benefits</b>	(\$13,013,840)

### **Identification of Additional Non-Hospital Charity Costs**

In addition, some hospitals will have non-hospital organizations under its ISDH license are providing community benefits in this fiscal year.

<b>Organization Providing Charity Care</b>	<b>Net Costs of Care</b>
None	\$0

**For further information on these initiatives, contact:**

Hospital Representative: Nadja Boone

Telephone number: 812/265-0128

Web Address Information: [www.kingsdaughtershospital.org](http://www.kingsdaughtershospital.org)

**ISDH STATISTICAL COMPARISON BETWEEN THIS HOSPITAL AND OTHER HOSPITALS IN ITS PEER GROUP**

<b>PERFORMANCE INDICATOR</b>	<b>METHODOLOGY</b>	<b>THIS HOSPITAL'S RESULTS</b>	<b>PEER GROUP AVERAGE</b>
1. # of FTE's	Number of Full Time Equivalents	874	656
2. % of Salary	Salary Expenses divided by Total Expenses	42.0%	38.3%
3. Average Daily Census	Patient Days divided by annual days (365 days)	41.8	58.6

4. Average Length of Stay	Number of Patient Days divided by the Number of Discharges	3.7	4.3
5. Price for Medical/Surgical per stay	Total Medical/Surgical charges divided by Medical/Surgical discharges	\$2,708	\$4,999
6. Gross Price per Discharge	Gross Inpatient Revenue divided by the Total Discharges	\$11,290	\$13,629
7. Outpatient Revenue Percentage	Outpatient Revenue divided by the Gross Total Revenue	63.3%	53.7%
8. Gross Price per Visit	Gross Outpatient Revenue divided by the Total Outpatient Visits	\$680	\$993
9. % of Medicare	Medicare Revenue divided by the Gross Patient Revenue	44.9%	43.0%
10. % of Bad Debt	Bad Debt Expense divided by the Gross Operating Expenses	9.7%	6.2%
11. Charity Allocation	Unreimbursed costs of providing services to patients under adopted charity policy	(\$772,774)	(\$1,233,371)
12. Net Margin	Excess of Revenue over Expenses divided by the Total Operating Revenue	16.2	6.3

Notes:

1. NR = Not Reported
2. See Statewide Results for definitions of terms.